

## ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF[261]

### Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 15.104 and 15.106, the Iowa Department of Economic Development hereby gives Notice of Intended Action to amend Chapter 25, "Housing Fund," Iowa Administrative Code.

The proposed amendments extend the time frame for waiver of a local match requirement for one additional year, increase the allowable interest rate on participating mortgages by 2 percent, and clarify the maximum dollar amounts allowable under the program for various activities, while retaining the same overall allowable maximum cost per unit.

Public comments concerning the proposed amendments will be accepted until 4:30 p.m. on October 14, 2009. Interested persons may submit written or oral comments by contacting Terry Vestal, Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-3067.

A public hearing to receive comments about the proposed amendments will be held at 3 p.m. on October 14, 2009, at the above address in the ICN room on the second floor.

These amendments are intended to implement Iowa Code section 8.41.

ITEM 1. Amend subrule 25.6(7) as follows:

**25.6(7)** An application for a project located in a locally designated participating jurisdiction (PJ) must show evidence of a financial commitment from the local PJ at least equal to 25 percent of the total IDIED HOME funds requested. Sources of a local PJ financial commitment could include one or more of the following: HOME, CDBG, TIF, tax abatement, or general funds. This requirement is waived for awards made by the department during federal HOME program year ~~2009 (October 1, 2008 – September 30, 2009)~~ 2010 (October 1, 2009 – September 30, 2010).

ITEM 2. Amend subparagraph **25.6(8)"c"(1)** as follows:

(1) Loan interest rates may be no higher than ~~two~~ four percentage points above the federal prime interest rate at the time of loan closing;

ITEM 3. Amend paragraph **25.8(7)"a"** as follows:

a. The maximum per unit subsidy for all single-family activities involving rehabilitation is \$37,500. The \$37,500 per unit limit includes all applicable costs including, but not limited to, the hard costs of rehabilitation or the acquisition subsidy or both; home ownership assistance activities; technical services costs, including lead hazard reduction ~~or abatement~~ carrying costs; lead hazard reduction ~~or abatement~~ costs; and temporary relocation. All rehabilitation hard costs funded with housing funds are limited to \$24,999. All applicable technical services costs, including any lead hazard reduction ~~or abatement~~ carrying costs, are limited to \$4,500 per unit.